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SUMMARY RECORD OF THE 31st MEETING

Chairman: Mr. STADTHAGEN (Nicaragua)
(Vice-Chairman)

CONTENTS

AGENDA ITEM 95: SUSTAINABLE DEVELOPMENT AND INTERNATIONAL ECONOMIC COOPERATION (continued)

(a) TRADE AND DEVELOPMENT (continued)

(d) SCIENCE AND TECHNOLOGY FOR DEVELOPMENT (continued)

(e) IMPLEMENTATION OF THE PROGRAMME OF ACTION FOR THE LEAST DEVELOPED COUNTRIES FOR THE 1990s (continued)

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In the absence of the Chairman, Mr. Stadthagen (Nicaragua), Vice-Chairman, took the Chair

The meeting was called to order at 11.50 a.m.

AGENDA ITEM 95: SUSTAINABLE DEVELOPMENT AND INTERNATIONAL ECONOMIC COOPERATION: (continued) (A/50/123-S/1995/228, A/50/254-S/1995/201, A/50/255-S/1995/504, A/50/400, A/50/407, A/50/425-S/1995/787, A/50/466-S/1995/817, A/50/475, A/50/487, A/50/518)

(a) TRADE AND DEVELOPMENT (continued) (A/50/15 (vols. I-IV), A/50/215-S/1995/475, A/50/341, A/50/439, A/50/486, A/50/740)

(d) SCIENCE AND TECHNOLOGY FOR DEVELOPMENT (continued) (A/50/125-E/1995/19, and Add.1, A/50/649)

(e) IMPLEMENTATION OF THE PROGRAMME OF ACTION FOR THE LEAST DEVELOPED COUNTRIES FOR THE 1990s (continued) (A/50/745, A/50/746)

1. Mr. SINGH (India) said that no detailed or definitive evaluation was available on the impact that the Uruguay Round had had on developing countries. The ninth session of the United Nations Conference on Trade and Development could provide a useful opportunity to assess the impact of the Uruguay Round of multilateral trade negotiations from a development perspective. Some form of monitoring mechanism should be established to ensure that the interests of developing countries were adequately protected. Compensation should be provided for those developing countries that experienced difficulties. Unilateral attempts to bypass and undermine multilaterally agreed frameworks should be resisted. Moreover, attempts to use environmental and social concerns for protectionist purposes were not acceptable. He hoped that the World Trade Organization (WTO) would contribute to a rule-based, predictable, non-discriminatory multilateral trading system and that it would uphold the rights and interests of the weaker trading partners.

2. More should be done to dispel the myths about the negative impact of international trade. The latest trade and development report showed that there was no correlation between structural unemployment in the developed countries and their trade balances with the developing countries. Any attempt to protect jobs by imposing trade restraints would only serve to raise costs and curtail demand. The United Nations conference on trade and development was the only institution that examined trade from a development perspective and its work on trade, environment and sustainable development had been particularly useful. It should be strengthened.

3. Turning to the issue of science and technology for development he said that there was need for greater cooperation, both bilateral and multilateral, for endogenous capacity-building in research and development. He advocated the establishment of national and regional centres of excellence. Technology, particularly environmentally sound technology, should be made available to developing countries on concessional and preferential terms, and measures should

be taken to facilitate access to and transfer of technology that was in the public domain. A catalogue of proven technologies should be developed to enable effective technology choice by developing countries of state-of-the-art technologies. The United Nations Fund for Science and Technology for Development should be reinvigorated and South-South cooperation and exchange of information should be promoted. With respect to the Programme of Action for the Least Developed Countries in the 1990s, he reaffirmed his country's commitment to a partnership with those countries, to South-South cooperation and to the cause of development.

4. Mr. KONG Deyong (China), noting that the developed countries continued to increase protectionism and to threaten the use of sanctions, thus seriously jeopardizing the normal conduct of world trade and imperilling the newly established World Trade Organization (WTO), and that some low-income developing countries were unable to seize the opportunities offered by the trend towards globalization and integration in the world economy, said that the forthcoming ninth session of the United Nations Conference on Trade and Development (UNCTAD) would provide an important opportunity for revitalizing the world economy. The conference must not be distracted from consideration of substantive items and its intergovernmental nature must not be impaired.

5. Noting that the Mid-term Global Review of the Implementation of the Programme of Action for the Least Developed Countries for the 1990s had just been completed, he expressed the hope that the developed countries would demonstrate the necessary political will to assist the least developed countries to overcome poverty and achieve development.

6. Despite its prominent role in international trade, China was still being excluded from WTO because of interference and obstruction by a few countries. China remained firm in its intention to join that Organization. It was prepared to assume the obligations contained in the Uruguay Round agreements; however, any unrealistically high demands that did not reflect China's current economic reality were unacceptable. Whatever the outcome, China would pursue its reform process and open policy and continue to enhance its own and world development.

7. Turning to the relationship between science and technology and development, he said that some developing countries had achieved rapid growth largely because they had succeeded in using new technology. However the role of United Nations institutions devoted to science and technology had been weakened. The only surviving body, the Commission on Science and Technology for Development, was being turned into a mere review forum. While the new emphasis on peace-keeping operations was understandable, he cautioned against underestimating the importance of science and technology for development.

8. From a long-term strategic point of view, strengthened development aid, a fuller role for science and technology and efforts to overcome poverty were indispensable for lasting peace and development. He hoped that the international community would continue to support Agenda 21 and redouble its efforts to meet the target of allocating 0.7 per cent of its gross national product to official development assistance.

9. Mr. AGONA (Uganda) expressed dissatisfaction with the documentation relating to the cluster of items under consideration and reserved the right to revert to some of the issues during subsequent debates under the same agenda item.

10. Recalling preliminary forecasts according to which Africa and the least developed countries were likely to lose in the short to medium term from the outcome of the Uruguay Round of multilateral trade negotiations, he said that UNCTAD had come up with specific recommendations on measures that might allow disadvantaged regions to benefit from the Round. They included some fundamental recommendations relating to the need to address supply-side constraints faced by the poorest countries. The long-term structural transformation necessary in poor countries could not be accomplished without considerable financial and technical assistance from the international community. He deplored the latter's reluctance to act despite the clear need for concerted domestic and international action.

11. His country would continue to advocate far-reaching measures in the area of development finance, resource flows, trade, and the transfer of technology in favour of the least developed countries. Concrete action was now needed to implement the recommendations of the Mid-term Global Review of the implementation of the Programme of Action and those of the Programme itself to ensure the reactivation and acceleration of the growth of the poorest countries. The Global Framework for Transit Transport Cooperation between Land-locked and Transit Developing Countries and the Donor Community, which had been adopted earlier that year, would greatly enhance the competitiveness of land-locked developing countries. He urged the international community to implement fully the commitments made within that Framework and requested the Conference to take into account the implications of globalization and liberalization of world trade.

12. He recognized the crucial role of science and technology in promoting growth in developing countries. Africa, a continent well-endowed in natural resources could not tap its full potential without significant progress in science and technology. The report of the Joint Inspection Unit on the United Nations system support for science and technology in Africa, contained in document A/50/125-E/1995/19, constituted a solid basis for urgent action aimed at enhancing the response of the organizations and agencies of the United Nations system in support of the implementation of the Vienna Programme of Action on Science and Technology for Development. That response should emphasize endogenous science and technology capacity-building, institution-building and the enhancing of awareness and understanding of science and technology issues.

13. Efforts were being made in the Africa region to increase awareness of science and technology. Indeed, there had been three meetings on the subject over the past three years. Africa's own efforts could be complemented by those of the United Nations System along the lines proposed in the report of the Joint Inspection Unit. The Committee should adopt a resolution that would pave the way for a tangible contribution to the promotion of science and technology in Africa.

14. Mr. AZAIEZ (Tunisia) said that his country had undertaken an extensive programme of economic reforms designed to improve the efficiency of the national economy and strengthen its capacity in the face of international competition. The measures taken included such steps as developing economic ties through convertibility of the dinar, and enacting a unique code of investment incentives. Such efforts came against the background of global political, economic, social and security strategies which reflected the international community's will to improve global conditions and, above all, to integrate the social component in the balance of development alongside the new international economic and trade order. That balance was part of the new concept of global development which was taking shape. However, the only sure way of balancing the interests of States and of regional and interregional groupings was by respecting the human rights of the disadvantaged classes of society on the one hand and respecting the sovereignty of peoples and States, on the other.

15. Tunisia attached great importance to the strengthening of the specific advantages provided for in the Final Act of the Uruguay Round regarding special treatment of developing countries; that would reduce the imbalances and increase the World Trade Organization's credibility and effectiveness. Consolidation of that legal framework would guarantee a fairer exchange in international trade provided that all parties respected their commitments.

16. In a world market characterized by interdependence and globalization there was no place for disguised protectionism, unbalanced trade and unfair competition. Those who attributed the economic difficulties and persistently high unemployment rates of certain industrialized countries to the economic growth in the South, and advocated the adoption of protectionist measures were really demonstrating a lack of will to dismantle the obstacles to trade once and for all. That lack of will could jeopardize the existence of the new order emerging from the Uruguay Round, and further widen the gap between rich countries and poor countries.

17. The success of the World Trade Organization would depend on the establishment of balanced bodies and mechanisms for cooperation with the relevant specialized agencies. He hoped that the forthcoming ninth session of UNCTAD to be held in South Africa would be the occasion for it to reassume its rightful role in contributing to the advancement of the developing countries.

18. Mr. MONGBE (Benin), noting that the mid-term review was the first step in the launching of the second phase of implementation of the programme of action for the least developed countries for the 1990s, expressed the hope that in the next five years more specific actions would be taken to improve the standard of living of the most vulnerable groups.

19. Four main factors were necessary for the success of the second phase. First, the commitments made by the least developed countries to implement political and economic reforms must be observed. Second, the international community must also honour its commitments, particularly of financial and technical resources. Third, decisions and recommendations taken on behalf of the least developed countries at United Nations conferences and summits must be implemented effectively. For example, bilateral debt must be cancelled and multilateral debt significantly reduced, in accordance with recommendations made

at the World Summit for Social Development. Finally, and that was a matter of institutional support, the UNCTAD Division dealing with the least developed countries must be assured adequate human, financial and material resources in order to fulfil its mandate. A trust fund must be established to enable representatives of those countries to participate in sessions of the Trade and Development Board.

20. Primary responsibility for the development of each State lay with its own citizens, but it was also clear that, without the assistance and solidarity of the international community, that responsibility could not be fully met. The international community had a moral obligation not to marginalize countries and widen the gap between the rich and the poor.

21. Mr. MONTOYA (Colombia) said that the potential of trade as a key instrument of international cooperation and means of accelerating economic growth had greatly diminished, due to the emergence of new forms of protectionism and the failure on the part of some countries to stand up to domestic pressure and abide by agreed rules.

22. The developing countries had accepted high costs as the price of demonstrating their will to contribute to the conclusion of the Uruguay Round. They had believed that the imbalances in the negotiations could be offset in part by the establishment of the new World Trade Organization. The difference between theory and reality was becoming increasingly evident. Theoretically, all countries were equal, yet it appeared that some were more equal than others. Limited groups of countries were continuing to adopt decisions that were presented as a fait accompli to the other participants.

23. Even in that adverse context, it was extremely important that the issues for the WTO ministerial meeting which was scheduled for 1996 should be determined on the basis of open and participatory mechanisms. Matters beyond its mandate, such as multilateral investment and environmental and social issues, should be avoided in order to maintain the focus on its fundamental priorities, in particular, resolving the difficulties in implementation of the Uruguay Round and mitigating its negative effects on developing countries.

24. The General Assembly must give decisive support to the preparatory process for the eighth session of UNCTAD which would provide a unique opportunity for a thorough examination of the impact on the developing countries of globalization and liberalization. Globalization had not yet resulted in a more stable world economy. Indeed, international economic disparities had increased, the economic performance of many developing countries had deteriorated and volatility in financial markets had increased dramatically. Globalization and liberalization had not led to a more equitable distribution of income; on the contrary, poverty continued to spread. It was not yet clear whether those phenomena represented merely the initial cost of a process which would offer net benefits in the future to the global economy. In any event Colombia was convinced that UNCTAD was the most appropriate forum in which to attempt to answer those questions.

25. Mr. KANG'E (Kenya) said that the increasing integration of the world economy posed great challenges to developing countries, making their participation in world trade more crucial than ever. Their share in

international trade was still very low compared to the developed market economies, however, and support was needed from the international community to facilitate transformation in their production and trade structures to enable them to face the challenges of competition. The contribution of UNCTAD and the United Nations Industrial Development Organization (UNIDO) in addressing the issues facing developing countries as a result of globalization and liberalization of trade was crucial; his delegation, therefore, called for the strengthening of both organizations.

26. Given the limited capacity of developing countries to compete in the liberalized trade environment, Kenya urged all countries to resist protectionism in all its forms and commit themselves to the Uruguay Round agreements. The weakening of the preferential treatment according to some developing countries under the Lomé Convention and the Generalized System of Preferences was equally of concern, and assistance should be provided to mitigate the negative effects of that trend. The disparity between the developed and developing countries was mainly due to their level of technological advancement and, in that context, international cooperation in science and technology must be enhanced. Commendable efforts to strengthen the endogenous capacity of developing countries in science and technology had been seriously hampered by lack of resources. His delegation called on the international community to provide those resources in support of developing countries.

27. Mr. EL BATEL (Libyan Arab Jamahiriya) said that it was regrettable that the hopes for prosperity which had followed the end of the cold war had not been realized. The establishment of the World Trade Organization represented an effort to create a non-discriminatory international trade regime, yet new protectionist measures had resulted.

28. His country had repeatedly expressed its concern, through resolutions in the General Assembly and the Movement of Non-Aligned Countries, regarding the use of economic coercion by developed countries against developing countries. Such actions were contrary to the provisions of the Charter and international law. Despite the many resolutions adopted by the international community to counter such practices including General Assembly resolution 48/168, certain countries persisted in their efforts to impose their will on the world by instituting embargoes and refusing to transfer technology. Libya itself was under economic coercion by the United States of America, which stubbornly refused to find peaceful solutions to its differences with his country. The international community must ensure that the relevant resolutions and measures it had adopted were fully implemented.

29. Mr. SHRESTHA (Nepal) said that available economic indicators showed that, in the absence of concerted efforts from the international community, the situation of the least developed countries would continue to deteriorate. The combined impact of the fall in official development assistance, steady growth of external debt and continued marginalization in world trade would be devastating to those economies. So far as international trade was concerned, the picture was equally dismal. The overall export earnings of the least developed countries had declined during the past two decades, as had their share in world exports. Erosion of preferences resulting from the adoption of the Final Act of the Uruguay Round was another major concern. If international cooperation for

development was viewed as a matter of solidarity, partnership and shared responsibility, then the issues of the flow of official development assistance and the external debt and exports of the least developed countries deserved closer attention from the international community.

30. Nepal reaffirmed the right of access of land-locked countries to and from the sea, and urged support for the Global Framework for Transit Transport Cooperation between Land-locked and Transit Developing Countries and the Donor Community.

The meeting rose at 1.05 p.m.